

Assigned DOGM File No.: S/023/0057
DOGM Lead: Wayne
Permit Fee \$ _____ Ck# _____

6655

RECEIVED

APR 28 2014

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The information requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program (R647). The rules and Act are available online at <http://www.rules.utah.gov/publicat/code/r647/r647.htm> and http://le.utah.gov/~code/TITLE40/40_08.htm.

Cultural Resources Survey: To fulfill its obligations under Utah Code Annotated 9-8-404, the Division needs cultural resource (archaeology) information. The amount and type of information required will depend on the mine location, the history of previous disturbance, and other factors. Please contact the Division for further information.

A permit fee of \$150 must accompany this application (Utah Code Ann. §40-8-7(1)(i)) and is due annually.

"Small Mining Operations" are operations which have a disturbed area of ten or fewer surface acres at any time in unincorporated areas, or five acres or fewer in incorporated areas.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: Cubical #2
2.A. Name of Entity Applying for a Permit: Michael Sprunger
Contact (Authorized Officer): same
Mailing Address: PO Box 369
City, State, Zip: Oak City, UT 84649
Phone: 435-846-2174 Fax: none
E-mail Address: none

Entity is a: ☐ Corporation, ☐ LLC, ☐ Sole Proprietorship (dba), ☒ Individual, ☐ Partnership (General, or limited), ☐ Other (specify type) _____

Business Entity (not individuals) must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) If not currently registered, contact www.commerce.utah.gov to renew or apply.

- 2.B. Are you currently registered to do business in the State of Utah? ☐ Yes ☐ No

Business Entity #: _____
Local Business License #: _____ (if required)
Issued by: County: _____ or City: _____

Registered Utah Agent (as identified with the Utah DOC) (if individual leave blank):

Name: _____ Title: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

2.C. Entity's Representative(s) (if different from #2A) authorized and designated to receive notices of violation, cessation orders, and all other notices to be given to the permittee or operator by the Division.

Name: _____ Title: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
Emergency, Weekend, or Holiday Phone: _____
E-mail Address: _____

Name: _____ Title: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
Emergency, Weekend, or Holiday Phone: _____
E-mail Address: _____

3. If Business is a Sole Proprietor (dba) or Individual:

Name of Owner: Michael Springer Title: Owner
Business Address: PO Box 389
City, State, Zip: Dak City, UT 84649
Phone: 435 846 2174 Fax: —
E-mail Address: —

If Business is a Corporation:

Name of Officers: _____ Title: _____
Name: _____ Title: _____
Name: _____ Title: _____
Name: _____ Title: _____

Headquarters Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Limited Liability Company: Member Managed (☐) Manager Managed (☐)

Name of 1st Member/Manager: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 2nd Member/Manager: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Partnership:

Names of Partners: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Partnership:

Names of Partners: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. Ownership of Land Surface:

Private (Fee) ☐ BLM ☒ US Forest Service ☐
 State Trust Land/School Sections ☐ State Sovereign Lands ☐
 Other (please describe): _____

Name _____ Address _____
 Name _____ Address _____
 Name _____ Address _____
 Name _____ Address _____

6. Ownership of Minerals:

Private (Fee) ☐ BLM ☒ US Forest Service ☐
 State Trust Land/School Sections ☐ State Sovereign Lands ☐
 Other (please describe): _____

Name _____ Address _____
 Name _____ Address _____
 Name _____ Address _____
 Name _____ Address _____

BLM Claim Number(s): 329590
 Utah State Lease Number(s): _____
 BLM/USFS Lease or Project File Number(s): _____

Name of Lessee(s): _____

7. **Have the above surface and mineral owners been notified in writing?** Yes ☒ No _____
 If no, why not? _____

8. **Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice?** Yes ☒ No _____

What is the pre-mining land use, i.e. cropland, grazing, wildlife habitat? Sheep grazing

What is the postmining land use? Sheep grazing

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

II. PROJECT LOCATION & MAP (Rule R647-3-105)

1. Project Location & Map (legal description):

County(ies): Utah
NE 1/4, of NE 1/4, of NE 1/4, Section: 30 Township: 11S Range: 11W
 _____ 1/4, of _____ 1/4, of _____ 1/4, Section: _____ Township: _____ Range: _____
 _____ 1/4, of _____ 1/4, of _____ 1/4, Section: _____ Township: _____ Range: _____
 UTM East: _____ (if known) UTM North: _____ (If known)
 Name of Quad Map for Location: Dugway Pass - 7 1/2'

2. **Is the project within an incorporated area?** () Yes (X) No
If yes, what is the town or city? _____
3. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.
 - a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.
 - b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:
 - i. The area to be disturbed;
 - ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and
 - iii. Any adjacent previous disturbance for which the operator is not responsible.
 (Contact the Division for a list of consultants and land surveyors for mapping assistance.)
4. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. **Type of mining:** Surface (X) Underground ()
2. **Mineral(s) to be mined:** Bixbyite / topaz / pseudobrookite
3. **Amount of material** to be extracted, moved, or proposed to be moved: Small weight in mineral specimens - see page A.
4. Will any **water, liquid chemicals, reagents, or other solutions** be used, produced or discharged as part of the mining or milling process? Yes () No (X) If yes, please describe (add extra pages if needed): _____
5. Provide a brief **description of the proposed mining operation**, and onsite processing facilities (add extra pages if necessary). See page A
6. () **New Road(s):** Length _____ (ft), Width _____ (ft)
7. () **Improved Road(s):** Describe improvements that need to be made to existing roads to access the site, including the Length _____ (ft) and Width _____ (ft) of new disturbances.
No changes necessary
8. Total project surface **acreage to be disturbed:** 1/2 (0.46) (acres) PLEASE SPECIFY EXACT ACREAGE (this will be used to determine surety bond amount - see #VI).
9. Proposed **startup date** (month, year): May, 2014 (continuing operation)
10. Proposed **completion**, if known (month, year): _____

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at::

https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*
7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct mining activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*
10. *Stockpile topsoil and suitable overburden prior to mining.*
11. *Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.*
12. *Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.*
13. *Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)*
14. *Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.*

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance must be approved writing *in advance* by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measures to be utilized to meet the intent of the rule. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Are variances being requested? Yes (☐) No (☒)

Variance Requested

Item # Applicable Rule

Justification: _____

Alternate methods or measure to be utilized: _____

Attach additional page(s) if more variances are requested.

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.**

VII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; **or** (4.) the member or manager if applicant is a limited liability company.

Signature: Michael Springer Date: April 25, 2014
Name (typed or printed): Michael Springer
Title/Position (if applicable): Owner

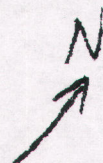
ACCESS MAP TO
CUBICAL #2 CLAIM
(BLM # 329590)

12/6/2013

Cubical #2
NE 1/4 NE 1/4 Sec 30
T11S, R11W

MAP OF CUBICAL #2
WORKINGS 12/6/2013

MAP #2



washes

Pit

narrow, one-lane
bulldozed road to diggings

Dump (no topsoil was stockpiled)

Previous Disturbance

access

washes

(Prior to our obtaining claims & documented by BLM 1/18/90)

uphill

stockpiled topsoil

cleaned off area (to bedrock)
- one to two feet deep

wash

road

cleaned off topsoil } reclaimed
stockpiled topsoil } 2002

Our Disturbance (in relation to old
pit and dump)

Cubical Claim

Prior Disturbance ///

Our Disturbance ///

Scale: 1" = 200' (approx.)



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
FILLMORE FIELD OFFICE
35 East 500 North
Fillmore, Utah 84631



In Reply Refer to:
3800
(U-010)
UTU-070641

January 12, 2004

CERTIFIED MAIL #7002 3150 0004 1699 4438
RETURN RECEIPT REQUESTED

SANDRA AND MIKE SPRUNGER
PO BOX 38054
LEAMINGTON UT 84638

Dear Mr. & Mrs. Sprunger:

Thank you for speaking with us on January 8, 2004, concerning your amended reclamation cost estimate. You expressed concern about the fact that we had calculated the amount for the entire disturbance, instead of the amount you propose to disturb in the future. Reclamation cost estimates (RCE) for notices that existed as of January 20, 2001 must be calculated to include all reclamation for which the operator is liable. Although your Cubicle quarry was opened prior to the establishment of the 43 CFR 3809 regulations, your operations over the past 20 years have redisturbed and expanded the quarry; thus, you must calculate the financial guarantee as though the BLM had to contract with a third party contractor to reclaim the entire disturbance, and include BLM's cost to administer the contract. Therefore, your RCE of \$700 is not acceptable. Enclosed is another RCE that should be adequate to reclaim the entire site, and includes revised administrative fees calculated according to new BLM policy.

Please notify us in writing within 30 days of receipt of this letter if you concur with this RCE. If you have any questions, please feel free to contact Sheri Wysong at (435) 743-3124.

Sincerely,

Glen Nebeker
Acting Field Manager

Enclosure
Reclamation cost Estimate

cc: Tom Munson, UDOGM (S/023/057)
(w/ copy of RCE)

Reclamation Cost Model For Existing Notice Level Operations

Dozer Work				Earthwork
	Acres		Cost/Acre	
Light	0	Recontouring Cost	\$ 330.00	\$0.00
Moderate	0.25	Recontouring Cost	\$ 990.00	\$247.50
Heavy	0	Recontouring Cost	\$1,485.00	\$0.00
Excavator Work				
Roads with the side Slope,	Linear Feet		Cost/Linear Foot	
<30%	0	Recontouring Cost	\$ 1.50	\$0.00
>30%	0	Recontouring Cost	\$ 2.40	\$0.00
Areas of non-road disturbance where the use of dozer wouldn't be adequate.				
	Acres		Cost /Acre	
<30%	0	Recontouring Cost	\$4,665.00	\$0.00
>30%	0	Recontouring Cost	\$7,465.00	\$0.00
Revegetation				Revegetation
Non-Road disturbances with machine spreader	Acres		Cost/Acre	
	0	Revegetation Cost	\$ 600.00	\$0.00
Non-Road disturbances with manual spreading	0.25	Revegetation Cost	\$150.00	\$37.50
Road disturbances with machine spreader	Linear Feet		Cost/Linear Foot	
	0	Revegetation Cost	\$ 0.20	\$0.00
Road disturbances with manual spreader				
	0	Revegetation Cost	\$0.05	\$0.00
Mobilization				Mobilization
	No. Pieces of equipment		Cost/Piece	
	1	Mobilization Cost	\$ 500.00	\$500.00
Total Labor Cost	\$ 339.88	Total Operating and Maintenance (O&M) Cost		\$785.00
		Contractor's Profit	10% O&M Cost	\$78.50
		Estimated Contract		\$863.50
		Contingency	10% O&M Cost	\$78.50
		Total Estimated Contract and Contingency		\$942.00
Administrative Fees				
		Contract Administration	16% O&M Cost	\$125.60
		Indirect Costs	21% Administrative Cost	\$26.38
		Engineering/Design	2% O&M Cost	\$15.70
		*Insurance	1.5% Labor Cost	\$0.00
		*Bond Maintenance	3% Rec. Cost	\$0.00
* Only Administered if Estimated Contract Costs over \$100,000.				
		Total Administrative Cost		\$167.68
		Bond Amount		\$1,109.68

A

NOTICE OF INTENT FOR CUBICAL #2 LODE MINING CLAIM

A) BLM Claim Number: #329590, NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 30, T11S, R11W in Juab Co, UT

B) Claim Owners & Operators:

Michael & Sandra Sprunger
PO Box 369
Oak City, UT 84649-0369

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DIV. OF OIL, GAS & MINING

C) Description of Environment & Ore Body to be Explored: There are no rights of way, pipelines, utility lines, fences, buildings or other human improvements on or near this claim. No stream channels or water bodies will be impacted by this claim. Environment is isolated desert with soil of clays and weathered rhyolite. Vegetation consists of mostly cheat grass with some native grass and sage. This claim is in the Thomas Range which is Tertiary rhyolite and is near Dugway Pass. Mineral targets are based solely on surface "float," not core drilling.

D) History and Description of Operations: This claim was located over a prior claim with a pre-FLPMA disturbance of approximately $\frac{1}{4}$ acre. Our location date was 10/3/89 after which we asked the Fillmore BLM to document the earlier disturbance which was then done on 1/18/90. We filed our first Plan (Notice) on 9/13/91 for a 0.1 acre expansion around the upper margin of the older workings. On 1/6/07 we amended this expansion to 0.25 acre. The current (Apr, 2014) total quarry disturbance as measured by Duane Bays, Fillmore BLM, is 0.46 acre.

With no set schedule, mining consists of either handtools or use of a backhoe to expose small portions of the quarry floor and then blasting down to under 10' to expose seams in the bedrock. Blasting will be done with a gas drill with boreholes to 30". At the completion of each dig, holes are refilled for safety and stabilization. Topsoil stockpiles are not affected by these digs. Most of the topsoil was bulldozed aside by the previous claimant and only the topsoil from our expansions is actually stockpiled. No changes to the pre-existing road were/are necessary. (Ten years ago, a Fillmore BLM decision exempted this road from reclamation as the road was pre-FLPMA and was used by the public. Federal regs do not call for reclamation of pre-FLPMA roads that are used but not altered. See attachments #3 & #4.)

E) Description of Ore Reserves and Markets: No estimate of the ore reserve exists. The deposit extent is based on "float" found at the surface, but usually the mineralized area is greater than float would indicate. The deposit is a source for mineral specimens for collectors. Two specimens from this deposit now reside in the Smithsonian.

F) Maps: 1) 7 $\frac{1}{2}$ ' USGS Quad showing access road and mine site.
2) Workings at mine site on scale of 200' to the inch.

G) Reclamation Plan: The quarry will be filled with waste-rock from digs, recontoured and topped with stockpiled topsoil and then raked and reseeded with a BLM-prescribed seed mixture. It should be noted that the natural surface around the quarry has many rocks, some large. Consequently, the stockpiled topsoil, especially from the earliest bulldozer work, will similarly contain rocks.